

Naval Postgraduate School  
Department of National Security Affairs  
International Economics MW 1-3

Summer Quarter 2006  
NS 3040  
Dr. Robert Looney

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MWTuTh 3-4  
and by appointment  
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## COURSE OUTLINE

### Texts

Thomas Pugel, **International Economics**, twelfth edition, Irwin/McGraw-Hill, 2003.

Charles Wheelan, **Naked Economics: Undressing the Dismal Science**, Norton, 2002.

Jim Eggert, **Invitation to Economics**, Mayfield Publishing, Company, 1991 (on the website).

Richard Kugler and Ellen Frost, **The Global Century, Globalization and National Security**, NDU Press, 2001 (-- a bit dated, but on the website).

### ASSIGNMENTS

The assignments below are mainly from the texts. The main text, Pugel provides good background, but most of the class discussion will be on the papers posted on the website under "readings for next class". The Wheelan book provides a good background of economic thinking with some applications of economics to contemporary issues. All the papers and references that we will need for the course can be found on the website.

#### Introduction (July 5)

Pugel, chapter 1  
Wheelan, forward, introduction

#### Basic Microeconomic Concepts (July 10)

Eggert, chapters 1, 2, 3, 4, 10, 11.  
Wheelan, Chapter 1.

#### Topics in Microeconomics--Markets and Competition (July 12, 17)

Eggert, chapters 12, 13, 14, 15, 16, 17  
Wheelan, Chapters 2, 3, 4

#### Introduction to the Theories of International Trade (July 19)

Pugel, chapters 2, 3  
Wheelan, Chapter 5

#### Modern Theories of Trade (July 19)

Pugel, chapters 4, 5 and 6  
Wheelan, Chapter 6

Tariffs and Non-Tariff Barriers (July 24)

Pugel, chapters 8  
Eggart, chapter 18.  
Wheelan, Chapter 7

Current Issues in International Trade (July 26)

Pugel, chapter 10

Trade Agreements, Environment and US Policy—GATT/WTO (July 31)

Pugel, chapter 9, 13  
Jeffrey Sachs, Globalization and Patterns of Economic Development, Weltwirtschaftliches Archiv, 2000

Security, Global Competition and United States Trade Policy (August 2)

David Denoon, Economics and National Security, Ch 10 in K&F

Economic Integration--North America/Europe (August 7)

Pugel, chapter 12

Trade Policy and Developing Countries, Sanctions (August 9)

Pugel, chapter 14.  
Wheelan, Chapters 11, 12

NO CLASS August 14, 16

MIDTERM EXAMINATION (August 21)

Balance of Payments, Introduction to Exchange Rates (August 23)

Pugel, chapters 16,.

Determinants of Exchange Rates (August 28)

Pugel chapter 17, 18, 19  
Eggert, Chapter 19

Introduction to Macroeconomics/Balance of Payments Adjustment (August 30, September 6)

Eggart, chapters 5, 6, 7, 8 and 9.  
Pugel, chapters 22.  
Wheelan, Chapters 9, 10

International Monetary System (September 11)

Pugel, chapters, chapters 23, 24, 25  
Dani Rodrik, How Far Will International Economic Integration Go? Journal of Economic Perspectives, Winter 2000

Factor Movements (September 11)

Pugel, chapter, 15

International Lending, Debt Crisis (September 13)

Pugel, chapter 21

Foreign Investment/Multinationals/Future Patterns of Globalization (September 13)

Eggert, Chapter 20

Wheelan, epilog

Final Examination (September 18, 1-3, Glasgow 118)

### **Course Grade**

There are several options for a course grade:

Midterm and Country/Topic Paper (20 or so pages)--50% each

Midterm and Final Examination--50% each

For those who have taken 3041 there is the option of a major research paper (30 or so pages)—100%